

NOTTINGHAM CITY HOMES

HOUSING MANAGEMENT SERVICES COMMITTEE

17 AUGUST 2010

REPORT OF THE ASSISTANT DIRECTOR OF TENANCY SERVICES

NON-LETTABLE PROPERTIES

1 SUMMARY

- 1.1 This report is to provide the members of the Housing Services Committee with an update on the numbers, criteria classification and potential options for the reduction in non – lettable properties in the City.

2 RECOMMENDATIONS

It is recommended that the Housing Management Services Committee:

- 2.1 Comment and approve the proposals contained within the report
- 2.2 To receive further reports as to the progress being made in the reduction of non-lettable properties.

3 CURRENT CONTEXT OF NON LETTABLE VOIDS

- 3.1 As of 30 July 2010 there are currently 578 non- lettable voids compared with 596 at the last report to this committee. The status of these are broken down as follows:-

Void Status	Number of Voids as at 30.07.10	Number of Voids as at 03.06.10
Demolition	289	299
On Hold	72	101
Returned to RSL	4	4
Disposal Transfer	4	4
Disposal	126	113
Potential Disposal Awaiting Decision	80	74
Development	3	1
Total	578	596

- 3.2 As members can see, there has been a decrease in the number of non lettable voids. It is pleasing to note that the category that Nottingham City Homes can specifically effect – The “On Hold” category has reduced overall by 29 properties
- 3.3 There has been a decrease in 20 voids that have been demolished since the last report, however, further properties have gone into this category, namely 3 x Highbury Vale, 1 x Jersey Gardens, 6 x Kingsthorpe/ Kendal Court and 1 for High Cross Court.

4 SUMMARY OF VOIDS TO BE REMOVED FROM NCC/NCH STOCK

4.1 The table below details those properties that are already in the process of being removed from the overall non-lettable voids total.

Void Status	Number of Voids 31.07.10	Number of Voids 03.06.10	Removal system
Demolition	289	299	When demolition has taken place
Returned to RSL	4	4	When returned to RSL
Disposal Transfer	4	4	When transferred to RSL
Disposal	126	113	When sold
Development	3	1	When demolished
Total	426	421	

4.2 If the above 426 non lettable voids were removed from the system today, this would leave **152 non- lettable voids**, which are the ones which NCH can have a direct impact on getting re let.

4.3 So far a total of 5 properties have been sold, with another 28 former “corporate” properties that have been sold at Auction and await completion.

Below is a table showing a breakdown of the remaining 152 non lettable voids and what action is proposed / required to remove these from the non lettable status.

Void status	Number of voids at 30.07.10	Number of Voids at 03.06.10
On Hold	72	101
Potential Disposal Awaiting Decision	80	74
Total	152	175

4.4 Breakdown of those properties currently “on hold”

Void Status	Breakdown by Path	Number in each section 30.07.10	Number in each section 03.06.10
On Hold	Held for Decant	24	33
	Emergency Accommodation	7	11
	Fire	1	3
	High Cost Voids Assessment 18 general voids 16 ex-wardens accommodation	34	46
	Temporary police Use	2	6
	Unlawful occupation	4	2
Total		72	101

The above properties are ones which will come off the non – lettable voids and go into the routine lettable void path at some point in the future.

4.5 Decants

A decant property is one that is used for temporary accommodation by an existing tenant who cannot occupy their own tenanted address at present, for example: fire, domestic violence etc.

4.6 Emergency Accommodation

There currently are 7 void properties being used by Housing Aid for emergency temporary accommodation compared to 11 at the last report. There is currently a full review being undertaken on how Nottingham City Home manages emergency accommodation.

It is likely that one recommendation from the review will be that overnight or short stay occupants are signed up and rent is collected on a daily basis. This will reduce the rent loss currently incurred and remove the properties from the non-lettable voids status.

4.7 Fire

Properties that are held in this classification are those that are currently having works done due to fire damage. The property in this category has estimated rebuild costs of approximately £60,000. However this property is detained as a property to be demolished if the meadows PFI goes ahead, and therefore a decision has been made to delay commencement of the work until the next financial year, when a decision will be made about the Meadows PFI scheme.

4.8 High Cost Viability Assessments

There are 18 general voids in this status and 16 sheltered voids.

The 16 Sheltered voids are ex - Scheme Managers accommodation. A report is being written this month with proposals to decide on possible options for these properties.

There has been an overall reduction of 18 general voids in this category with no new voids coming into this status.

4.9 Police use and Unlawful Occupation

There are now six properties held in these two categories compared to eight at the last report. These will include properties that are illegally occupied or properties that the Police are using for surveillance / entrapment purposes

4.10 Awaiting Decision

There are currently a total of 80 properties held in this category. These are a mixture of some sheltered accommodation, H.I.M.O.'s, and structural viability properties across the City. Once a decision is taken as to the future of these properties, swift progress to move them from the non-lettable status will take place.

However, due to the complex and sensitive nature of the issues surrounding some properties, officers need to work on a set of value for money proposals to bring these properties back to re-letting/disposal and members will be detailed in a further report.

5 CONCLUSION

- 5.1 The number of non lettable voids can and does fluctuate as decommissioned properties become void and decants, emergency accommodation, high cost voids are fed back into the lettable voids.
Out of the 578 current non lettable voids NCH can now influence 152 of these.
- 5.2 This is a total reduction of 18 properties since the last report to this Committee. All High Cost assessment general voids, have had a review by Property Services and now they are being put through the voids process as quickly as possible, whilst maintaining budgets prudently.
- 5.3 Discussions are still taking place on properties the Police use for surveillance/entrapment to look at the possibility of signing these up on a temporary licence with a nil or reduced rent charge.
- 5.4 The Temporary Accommodation use is also currently under review. It is essential that occupants are signed up for temporary use properties as soon as possible. Housing Benefit can then be back dated to when they moved in, thus reducing non-lettable voids and increasing rent revenue. This process is being reviewed by the Lettings Team and it is envisaged that the existing temporary use properties will reduce significantly within the next few weeks.
- 5.5 The above actions will result in decreasing the numbers of non-lettable voids.

6 OTHER OPTIONS

- 6.1 Regular update reports will be provided to members of this Committee to advise on the progress being made in reducing the numbers of non-lettable properties.
- 6.2 Doing nothing is not an option, as without intervention the number of non lettable voids will continue to rise.

7 FINANCIAL RISK IMPLICATIONS

- 7.1 By being prudent in its management of non-lettable properties, the Company will be providing value for money services, and furthermore it will miss out on additional income streams by properties being kept void longer than is necessary.
- 7.2 There will also be savings made to the property management charges, e.g. cost of Sitexing property, amenities standing charges, Council Tax etc.

8 IMPLICATIONS FOR NOTTINGHAM CITY HOMES

- 8.1 Dealing with empty properties, and delivering value for money savings and efficiencies, is a key priority for the Company.

8.2 By not managing effectively with non lettable properties effectively there may be a potential for poor P.R., with over 12,000 applicants on the housing register.

9 VALUE FOR MONEY AND EFFICIENCY ISSUES

9.1 Failure to take action in relation to non lettable voids will result in an increase in lost revenue and a rise in associated void costs. By bringing more non lettable voids into use, the income in the Housing Revenue Account will increase.

9.2 Long term void properties cause blight on estates and can attract crime and A.S.B.

9.3 By adopting the proposals contained within this report, it is anticipated that considerable savings and efficiency gains will be made.

10 EQUALITY AND DIVERSITY IMPLICATIONS

10.1 There are no direct Equality and Diversity implications associated with the content of this report

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